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April 17th, 2008

Federal Communications Commission
Attn: Mr. Kevin Martin
445 12th Street SW
Room: 8-B201
Washington, SC 20554

RE: Proceeding 07-42 proposed rule

Chairman Martin,

I owned a small video production company that used to produce programs for airing on the local leased access channel approximately 5 years ago. My programs were tailored to sales presentations and program length commercials geared towards featuring other local small businesses. After only a year of service, I was forced to stop airing my programs because the fees imposed, according to the formula used to calculate leased access airtime, made it cost prohibitive to continue airing my programs.

I was recently considering trying a new business model in a new market to produce local programming again. While reading up on leased access, I just today became aware of the new Order outlining the rules between cable operators and leased access programmers, so please forgive my late-filed letter and consider this letter to be addressed in the final Order.

Although, these new rules will make great steps in allowing airing on leased access a viable platform for small programmers, pricing becomes a key factor in prohibiting my programming from reaching the air. If the pricing being outlined in the new Order were to be applied to sales presentations and program length commercials such as mine, I would be able to effectively produce my shows and air them. I believe this ultimately serves the initial purpose of leased access by providing an affordable outlet for a greater variety of programming to the television viewing audience.

However, I will express my concern that if the proposal to extend the new rate structure to sales presentations and program length commercials is allowed, that there is a possibility that the leased access programming being generated by major corporations will have the resources to consume all of the legally required channels and leave no airtime for the small producers to air their shows. And while I support the extension of the new rate structure to commercial programs on leased access, I believe that a system should be put in place to allow smaller companies priority over large corporations in the fight for same airtime placement, even if the large corporation have prior contract arrangements with the cable operator.

If some sort of priority filtering for the local small companies is not factored into consideration,

I envision leased access being taken over by major corporations, locking out small local producers and forcing them to wait until the large corporation's contract expiration, in what is more than likely a year long contract. Then, upon renewal of the large corporation's contract, the cable company would have to decide whether to forfeit the large corporation's daily multi-hour year long contract or to allow the local programmer's monthly or weekly 30 minute show. The local producer would, more likely than not, lose out every time.

As another footnote to my experience with the cable operator's business practices, small companies such as mine end up fighting for airtime with the actual cable operator. Some cable operators have their own production departments. They will go out and solicit local advertiser's for their own 30 minute programs. When they find out they have production companies competing for their business, the cable companies will often offer their production for free and then offer their airtime at rates cheaper than leased access rates. This effectively snuffs out their competition by prohibiting small businesses like myself from profiting from either the production or the airtime. But because the cable company controls the airtime, they can charge whatever they like to themselves and fill their airtime with their own programming. I understand their tactics because I worked for a cable company's production/ad sales department in the early and mid 90's. I am personally knowledgeable of these practices putting local production companies out of business as recently as this year. Lowering leased access rates will again allow us to compete with the cable companies on a more level playing field.

Through my experience, it has also been my observation that the cable operator's right to require liability insurance for leased access programmers has been used more as an obstacle for the producer to gain access to the affordable airtime, rather than truly protect the cable operator from liability. When insurance costs a small company like mine \$3000+ a year for this type of coverage, it greatly reduces my ability to provide programming. During my prior airings, never was a complaint or suit filed for my programming, nor will my planned preproduced programming include any content objectionable, obscene, or otherwise provide a liability to myself or the cable operator. Although I understand the new Order addresses and stands behind it's previous ruling, I would encourage you to re-evaluate this right that is being abused by the cable operators.

I appreciate your time in hearing my support of extending the new pricing structure to sales presentations and program length commercials. I hope the resolution to this proposed rule ends with more favorable results for small companies and provides the intended results, establishing why leased access was created, to create more varied programming. I would be happy to speak with you regarding these issues or my personal experience with leased access. Thank you for your time and consideration.

Sincerely,



Terron Vawter